



Agenda Date: 12/15/21  
Agenda Item: IIA

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF NEW JERSEY )  
NATURAL GAS FOR APPROVAL OF A MUNICIPAL )  
FRANCHISE IN THE BOROUGH OF PINE BEACH, )  
OCEAN COUNTY )  
)  
) DOCKET NO. GE21060914

**Parties of Record:**

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel  
**Andrew K. Dembia, Esq.**, on behalf of New Jersey Natural Gas Company

BY THE BOARD:

New Jersey Natural Gas ("NJNG" or "Company"), a regulated public utility subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), is a corporation duly organized under the laws of the State of New Jersey, and engaged in the distribution and transportation of natural gas to approximately 560,000 residential, commercial and industrial customers located in Monmouth and Ocean Counties, parts of Middlesex, Burlington, and Morris counties in New Jersey.

NJNG currently provides natural gas service within the Borough of Pine Beach ("Borough") to 863 residential customers and 104 commercial customers. The Company's 50 year consent to use the streets within the Borough for the provision of gas service expired on March 25, 2020.<sup>1</sup> On May 24, 2021 by Resolution 2021-55 ("Resolution"), the Borough renewed NJNG's franchise for a period of 50 years, and granted NJNG consent to lay, maintain, and operate gas facilities in the Borough. A copy of the Resolution is attached to this Order as Exhibit "A". By letter to the Borough dated June 14, 2021, NJNG accepted and agreed to the terms and conditions of the Resolution consistent with N.J.S.A. 48:3-16. Copies of the letter of acceptance and the hearing notice are attached to this Order as Exhibits "B" and "C", respectively.

---

<sup>1</sup> The Board notes that municipal consents often expire some time prior to their renewal even when the Company initiates the renewal process prior to the expiration of the previous term. This is primarily the result of the time necessary for a municipality to fulfill the legal requirements that attend to all formal actions it must take along with the additional time for hearing and Board approval as required by law. The Board has been assured that pending review of its petition, NJNG represents that it has continued to provide service to its customers within the Borough in an uninterrupted manner.

On June 15, 2021, NJNG filed a petition with the Board, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, seeking approval of the franchise renewal agreement granted by the Borough ("Petition"). As required by law and after notice, a municipal consent hearing in this matter was held on September 28, 2021. Suzanne Patnaude, Esq., the Board's duly appointed Hearing Officer, presided over the hearing. Appearances were made on behalf of the Company, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff. No other party participated in the hearing or filed any written comments with the Board related to this matter.

At the hearing, the Company relied on its Petition and exhibits filed with the Board, and presented the testimony of Joseph Puglisi, Supervising Engineer. According to Mr. Puglisi's testimony and discovery responses, NJNG anticipates growth in the Borough over the next five (5) years of approximately 10 to 20 customers. Mr. Puglisi also testified that the Company has the capacity to meet the anticipated level of growth within the municipality and has no plans to change its gas distribution system within the Borough.

Rate Counsel submitted written comments dated November 10, 2021, indicating that it does not object to the Company's Petition since the Company represented that it has the capacity necessary to continue to provide natural gas service to the Borough. The term of the municipal consent related to the use of streets is limited to a term of 50 years. However, Rate Counsel requested that approval of the Petition include certain restrictions which are incorporated in this Order.

### **DISCUSSION AND FINDINGS**

After careful review and consideration of the Petition and exhibits submitted in this matter, the Board **HEREBY FINDS** that the renewal of the franchise agreement granted to NJNG by the Borough is necessary and proper for the public convenience and to properly serve the public interest, and that NJNG has the ability to continue to provide safe, adequate, and proper service. The Board **FURTHER FINDS** that the Company has the necessary experience, financial capability, capacity, and facilities in the Borough to continue to provide adequate and appropriate service to its existing customers, and that the 50-year duration of the municipal consent to use the streets is consistent with N.J.S.A. 48:3-15. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, **HEREBY APPROVES** the consent granted to NJNG by the Borough to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of 50 years. The approval granted hereinabove shall be subject to the following provisions:

1. As required by N.J.S.A. 48:3-15, and limited by the Resolution, the municipal consent to construct, maintain and operate gas lines in the streets and other public places in the Borough is limited to a term not exceeding 50 years.
2. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by NJNG.
3. This Order shall not affect, nor in any way limit, the exercise of the authority of this Board or of the State in any future petition or in any proceedings with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or in any other matters affecting NJNG.

This Order Shall be effective on December 22, 2021.

DATED: December 15, 2021

BOARD OF PUBLIC UTILITIES  
BY:

  
\_\_\_\_\_  
JOSEPH L. FIORDALISO  
PRESIDENT

  
\_\_\_\_\_  
MARY-ANNA HOLDEN  
COMMISSIONER

  
\_\_\_\_\_  
DIANNE SOLOMON  
COMMISSIONER

  
\_\_\_\_\_  
UPENDRA J. CHIVUKULA  
COMMISSIONER

  
\_\_\_\_\_  
ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
\_\_\_\_\_  
AIDA CAMACHO-WELCH  
SECRETARY

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS FOR APPROVAL OF  
A MUNICIPAL FRANCHISE IN THE BOROUGH OF PINE BEACH, OCEAN COUNTY  
DOCKET NO. GE21060914

SERVICE LIST

<p>Borough of Pine Beach: Charlene A. Carney Municipal Clerk Borough of Pine Beach 599 Pennsylvania Avenue Pine Beach, NJ 08741</p> <p>Division of Rate Counsel 140 East Front Street, 4<sup>th</sup> Floor Trenton, NJ 08625-0003</p> <p>Brian O. Lipman, Esq., Director <a href="mailto:blipman@rpa.nj.gov">blipman@rpa.nj.gov</a></p> <p>Brian Weeks <a href="mailto:bweeks@rpa.nj.gov">bweeks@rpa.nj.gov</a></p> <p>Maura Caroselli <a href="mailto:mcaroselli@rpa.nj.gov">mcaroselli@rpa.nj.gov</a></p> <p>Karen Forbes <a href="mailto:kforbes@rpa.nj.gov">kforbes@rpa.nj.gov</a></p> <p>Shelly Massey, Paralegal <a href="mailto:smassey@rpa.nj.gov">smassey@rpa.nj.gov</a></p> <p>NJ Department of Law and Public Safety Richard J. Hughes Justice Complex Public Utilities Section 25 Market Street, P.O. Box 112 Trenton, NJ 08625</p> <p>Pamela Owen, ASC <a href="mailto:pamela.owen@law.njoag.gov">pamela.owen@law.njoag.gov</a></p> <p>Terel Klein, DAG <a href="mailto:terel.klein@law.njoag.gov">terel.klein@law.njoag.gov</a></p>	<p>Board of Public Utilities 44 South Clinton Avenue, 1<sup>st</sup> Floor Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Aida Camacho-Welch, Secretary <a href="mailto:board.secretary@bpu.nj.gov">board.secretary@bpu.nj.gov</a></p> <p>Stacy Peterson, Deputy Executive Director <a href="mailto:stacy.peterson@bpu.nj.gov">stacy.peterson@bpu.nj.gov</a></p> <p><u>Division of Energy</u></p> <p>Paul Lupo <a href="mailto:paul.lupo@bpu.nj.gov">paul.lupo@bpu.nj.gov</a></p> <p>Sri Medicherla <a href="mailto:sri.medicherla@bpu.nj.gov">sri.medicherla@bpu.nj.gov</a></p> <p><u>Counsel's Office</u></p> <p>Heather Weisband, Esq. <a href="mailto:heather.weisband@bpu.nj.gov">heather.weisband@bpu.nj.gov</a></p> <p>New Jersey Natural Gas Company 1415 Wyckoff Road P.O. 1464 Wall, NJ 07719</p> <p>Mark G. Kahrer <a href="mailto:mkahrer@njng.com">mkahrer@njng.com</a></p> <p>Andrew Dembia <a href="mailto:adembia@njng.com">adembia@njng.com</a></p> <p>Susan Fastuca <a href="mailto:sfastuca@njng.com">sfastuca@njng.com</a></p>
--	---

Exhibit A:  
Resolution

**RESOLUTION 2021-55  
A RESOLUTION AUTHORIZING RENEWAL OF THE FRANCHISE  
AGREEMENT WITH NEW JERSEY NATURAL GAS COMPANY**

**WHEREAS**, New Jersey Natural Gas Company has heretofore been granted a franchise and consent to lay, maintain and operate gas facilities in the Borough of Pine Beach; and

**WHEREAS**, New Jersey Natural Gas Company is desirous of extending and renewing the period of the consent to this municipality to exercise its franchise rights in the Borough of Pine Beach for the purpose of furnishing gas therein.

**NOW, THEREFORE, BE IT RESOLVED**, that New Jersey Natural Gas Company be and it is hereby authorized to lay, maintain and operate its conductors, mains and pipes, together with the appurtenances thereto, in all the public streets, alleys, squares and public places in this municipality which are under the control and jurisdiction of the Borough for the purpose of conducting gas, including natural gas, or any mixture of gases of various types and for the purpose of transmitting and distributing such gas in this municipality for a period of fifty (50) years from the date hereof, upon the following terms and conditions:

1. That New Jersey Natural Gas Company shall agree that, in all cases in which street openings or excavations are made for the purposes aforesaid, that restoration of same will be conducted in accordance with the requirements of the Borough Ordinances in existence at the time of said excavation; and
2. That New Jersey Natural Gas Company shall conduct the work or the laying or maintaining of gas pipes therein in a careful and prudent manner; and
3. That New Jersey Natural Gas Company shall safeguard the public interest in continuous and uninterrupted service at and after the expiration of the term of the grant; and
4. That New Jersey Natural Gas Company shall maintain its property in good order throughout the full term of the grant; and
5. That New Jersey Natural Gas Company shall continuously afford safe, adequate and proper service at just and reasonable rates.

**BE IT FURTHER RESOLVED**, that this franchise consent, upon approval of the Board of Public Utilities of the State of New Jersey, shall supersede the Ordinance granted by the Borough of Pine Beach on March 25, 2010; and

**BE IT FURTHER RESOLVED**, that New Jersey Natural Gas Company shall file with the clerk of this municipality, within sixty (60) days from the date hereof, its acceptance of the terms and provisions of the franchise consent herein granted and its agreement to be bound by the terms and provisions thereof; and

**BE IT FURTHER RESOLVED**, that this resolution shall not become effective until it is approved by the Board of Public Utilities of the State of New Jersey.

**DATED:** May 24, 2021

  
Lawrence W. Cuneo, Mayor

**CERTIFICATION**

I, Charlene A. Carney, Municipal Clerk of the Borough of Pine Beach, certify the foregoing to be a true and accurate copy of a resolution adopted by the Borough of Pine Beach on May 24, 2021.



209010

Exhibit B:  
Letter of Acceptance



June 14, 2021

*Via Electronic Mail*

Honorable Charlene A. Carney  
Pine Beach Borough Clerk  
599 Pennsylvania Ave.  
Pine Beach, NJ 08741

**Re: Resolution No. 2021-55  
A Resolution Authorizing Renewal of the Franchise  
Agreement with New Jersey Natural Gas Company**

Dear Ms. Carney:

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the franchise agreement granted by the Pine Beach Borough Council on May 24, 2021 and hereby agrees to be bound by the terms and provisions thereof. See Resolution No. 2021-55 attached hereto.

Please be advised that NJNG will submit the Resolution to the New Jersey Board of Public Utilities for approval.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Andrew K. Dembia'.

Andrew K. Dembia, Esq.  
Regulatory Affairs Counsel

AKD:sf

Exhibit C:  
Hearing Notice



August 24, 2021

**BY ELECTRONIC MAIL**

Honorable Charlene A. Carney  
Administrator/Municipal Clerk  
Pine Beach Borough, Ocean County  
599 Pennsylvania Ave  
Pine Beach, NJ 08741

Honorable Scott M. Colabella  
County Clerk  
Ocean County Clerk's Office  
PO Box 2191  
Toms River, NJ 08754-2191

Honorable Mary Ann Cilento  
Clerk of the Board  
Ocean County Board of Commissioners  
Administration Building, Rm 328  
PO Box 2191  
Toms River, NJ 08754-2191

Honorable Carl W. Block  
Ocean County Administrator  
101 Hooper Ave.  
Administration Building  
Toms River, NJ 08754

**RE: In the Matter of the Petition of New Jersey Natural Gas Company for the Approval of a Municipal Franchise in the Borough of Pine Beach, Ocean County BPU Docket No. GE21060914**

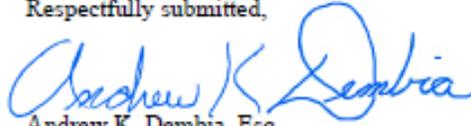
Dear the Parties Addressed:

Pursuant to the provisions of N.J.S.A. 48:2-14, New Jersey Natural Gas Company ("NJNG") has applied to the New Jersey Board of Public Utilities ("Board") for approval of the Borough of Pine Beach ("Borough") Resolution No. 2021-55, which granted NJNG permission to continue to provide natural gas service in the Borough as provided in said Resolution. Please be advised that the Board has set September 28, 2021 at 10:00am as the date and time for the Municipal Consent Hearing. Due to the COVID-19 pandemic, this Municipal Consent Hearing will be held via Zoom. The Zoom log-in information is as follows:

<https://zoom.us/j/2458136397?pwd=S1pxamxGV3RNdHJ0T3A0UGVFOHFkQT09>  
Passcode: 871017

My assistant, Susan Fastuca is the Zoom meeting organizer. A Zoom meeting invitation will be sent to you in advance of the scheduled date for this Municipal Consent Hearing. You are welcome to participate in the Zoom meeting to put your views on the record if you so desire. Also, notice of the hearing is posted on the Company's web site, [njng.com](http://njng.com), so interested members of the public may view the hearing.

Respectfully submitted,

  
Andrew K. Dembia, Esq.  
Regulatory Affairs Counsel

AKD:sf  
C: Service List